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### PENCE OPPOSES MINIMUM WAGE INCREASE

**Washington, Jan 10, 2007** - U.S. Congressman Pence opposed the Democrat minimum wage increase today, arguing it would *raise* unemployment levels among the poor by forcing employers to cut jobs and hours. Additionally, he argued that the legislation will negatively impact small businesses and family farmers. His remarks on the floor of the U.S. House follow:

**"Mr. Speaker, I rise in respectful opposition to H.R. 2, the Fair Minimum Wage Act of 2007. I do so understanding that what I do may well be misunderstood by some of my constituents at home and even some looking on in this debate. But let me say emphatically, that a 41% increase in the minimum wage that is brought into the well of Congress without providing any relief to the American small business owners and family farmers is irresponsible and unwise. And it will harm both the wage payer and the wage earner.**

**"An excessive increase in the minimum wage will hurt the working poor, Mr. Speaker, and especially those who are trying to begin the American Dream by entering the work force at entry level jobs.**

**"Minimum wage increases, the unbroken record of our economic history attests, raise unemployment among the young, minorities and part-time workers - the very people that a minimum wage is thought to help. And sadly, for reasons I don't entirely understand, for every increase in the minimum wage, African-Americans have been hit the hardest with the advent of jobs that are lost with an increase in the minimum wage.**

**"It would be the late economist Milton Friedman, a Nobel Laureate, who said, 'The high rate of unemployment among teenagers, and especially black teenagers, is both a scandal and a serious source of social unrest. Yet it is largely a result of minimum wage laws.'**

**"I believe the minimum wage, and this increase, is one of the most anti-minority, anti-poor laws that we could bring into this Congress. It violates fundamental free market economics, and it will cost jobs. A Heritage Foundation recently reported research showing that for every 10% increase in the minimum wage, there is a loss of roughly 2% of entry-level minimum wage jobs. This means for what we consider today, we could literally see evaporate overnight, 8% of the entry level jobs in this country.**

**"I recently received an email from small sub sandwich restaurant owner in Anderson, Indiana. He told me of his frustration about what Congress would consider today, Mr. Speaker. And he begged me to ask for balance and justice for the wage payer as well as the wage earner. He said he had 200 applications on file, but he knew that if Congress passed this irresponsible 41% increase in the minimum wage, not only would he not be able extend opportunity to some, he'd have to cancel jobs for others.**

**"Let us serve the wage earner and wage payer. Let us reject this irresponsible increase in the minimum wage."**